

PROPOSED

RESOLUTION

of the

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Adequacy of Environmental Impact Statement  
for  
Faribault Energy Park Generating Station

BE IT RESOLVED, that the Minnesota Environmental Quality Board approves and adopts the Findings of Fact, Conclusions and Order which determines that the Final Environmental Impact Statement for the Faribault Energy Park Generation Station is adequate.

BE IT FURTHER RESOLVED, that Robert A. Schroeder, chair of the Board is authorized to sign the adopted Findings of Fact, Conclusions and Order.



**STATE OF MINNESOTA  
ENVIRONMENTAL QUALITY BOARD**

In the Matter of the Application by  
Faribault Energy Park, LLC for a Site  
Permit for a Nominal 250 Megawatt  
Dual Fuel Combined Cycle Combustion  
Turbine Generating Plant in Rice  
County.

**FINDINGS OF FACT,  
CONCLUSIONS AND ORDER  
FINDING ENVIRONMENTAL  
IMPACT STATEMENT TO BE  
ADEQUATE**

**MEQB Docket NO. 02-48-PPS-FEP**

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The above-captioned matter came before the Minnesota Environmental Quality Board at a regular meeting on May 20, 2004, pursuant to an application by Faribault Energy Park, LLC (FEP) to construct a 250-megawatt dual fuel, combined cycle combustion turbine in the City of Faribault, Rice County, Minnesota.

**STATEMENT OF ISSUE**

Is the Environmental Impact Statement for the Faribault Energy Park Generating Station adequate?

Based upon all of the proceedings herein, the Minnesota Environmental Quality Board makes the following:

**FINDINGS OF FACT**

**Faribault Energy Park Generating Station**

1. Faribault Energy Park, LLC (FEP), has proposed to construct and operate a dual-fuel, combined-cycle electric generating facility capable of producing 250 megawatts (MW) of electricity in Rice County, Minnesota.
2. In accordance with the Power Plant Siting Act, (Minn. Stat. § 116C.57, subd. 1), a site permit is required from the EQB before a Large Electric Power Generating Plant can be constructed. For larger power plants like the Faribault Energy Park Generating Station, the EQB is required to prepare an Environmental Impact Statement (EIS) as part of its consideration of the request for a site permit. Minn. Stat. § 116C.57, subd. 2c.

**Procedural**

3. On September 9, 2003, FEP submitted to the EQB a site permit application regarding a proposal to construct and operate the Faribault Generating Station. The application

was reviewed under the full permitting process in Minnesota Rules parts 4400.1025 to 4400.1900.

4. On September 18, 2003, the EQB Chair accepted the application as substantially complete and notified the applicant in writing of the decision. This action by the Chair initiated the permit application review process, including environmental review, public participation and a public hearing, as required by Minnesota Rules Chapter 4400.
5. The EQB provided notice of a public meeting to discuss the project and the scoping of the Environmental Impact Statement. On October 15, 2003, a public meeting was held by the EQB at the Faribault city hall to discuss the project with interested persons and to solicit input into the scope of the EIS. The public also had an opportunity to ask questions during informal discussions with project personnel. Oral comments from the public on the scope of the EIS included concerns over noise, air emissions, and groundwater appropriations.
6. The comment period was held open until 5:00 pm on October 24, 2003. Several persons and agencies submitted letters during the comment period. The following comment letters were submitted regarding the scope of the EIS.
  - A. Minnesota Department of Health letter dated October 14, 2003: The written comments included a request to include a discussion on the difference in air emissions when the plant is burning fuel oil as compared to natural gas; on the different types of emission controls for fuel oil versus natural gas; and on the total potential to emit based on the maximum permitted hours of operation using fuel oil.
  - B. Department of Natural Resources letter dated October 22, 2003: The written comments included a discussion on the need for Groundwater Appropriation and Public Waters Work permits; a request to incorporate the DNR Heritage Database review in the EIS; and a request to integrate a discussion on water balance (i.e., use, consumption and discharge) into the EIS.
  - C. City of Faribault email dated October 23, 2003: The written comments included a correction in the zoning status for the alternative site and distance from the preferred site to the nearby airport. Additionally, the email encouraged the inclusion of local issues (i.e., zoning, access, water and wastewater use and discharge).
  - D. Mr. Wallace Edwards email dated October 23, 2003: The written comments included concerns related to the proximity of the proposed facility to the City of Faribault, air emissions (especially ammonia), potential fogging and icing of Interstate 35 resulting from the release of moisture into the atmosphere, noise levels, the availability of groundwater, and the effects of diminishing supplies of natural gas.

- E. Minnesota Pollution Control Agency letter dated October 24, 2003: The written comments included a request for the EIS to include discussions on air emissions (i.e., Best Available Control Technology, Air Emission Risk Analysis, and carbon dioxide), on stormwater and wastewater (i.e., National Pollution Discharge Elimination permit, quantities and quality of discharges, handling, storage and treatment) and on the criteria to be used in fuel use selection.
7. The scoping decision was signed by the chair on October 31, 2003.
  8. On March 1, 2004, the Draft Environmental Impact Statement was made available for public review and notice was given in accordance with Minnesota Rules, part 4400.1700, subpart 7. The EIS was properly distributed and was provided to all people requesting a copy.
  9. On March 22, 2004, a public meeting was held by the EQB at the Faribault city hall to discuss the draft EIS. The public also had an opportunity to ask questions during informal discussions with project personnel. The comment period was held open until 5:00 pm April 2, 2004.
  10. Two comments were filed during the public comment period on the draft EIS. One comment was submitted by the Minnesota Pollution Control Agency and one was submitted by the Department of Natural Resources. Both comments are part of the Final EIS.
  11. Responses to the two comments were prepared by the EQB staff and by Faribault Energy Park.
  12. On April 12, 2004, the Final Environmental Impact Statement was made available for public review and notice was given in accordance with Minnesota Rules, part 4400.1700, subpart 9. The Final EIS consists of the Draft EIS, the comments on the draft, and the responses to the comments.
  13. On April 12, 2004, a contested case hearing was held at the Faribault city hall. The Honorable Beverly Jones Heydinger was the Administrative law judge presiding over the hearing.
  14. The record of the contested case hearing contains all procedural documentation relative to preparation of the EIS.

#### **Criteria for Determination of Adequacy**

15. Minn. Rules part 4400.1700, subp. 10 provides that the Final EIS is adequate if it
  - a. addresses the issues and alternatives raised in the scoping to a reasonable extent considering the availability of information and the time limitations for considering the permit application;

- b. provides responses to the timely substantive comments received during the draft EIS review process;
- c. was prepared in compliance with the procedures in Minnesota Rules Chapter 4400.

Based upon the foregoing Findings of Fact, the Environmental Quality Board makes the following

### CONCLUSIONS

1. Any of the foregoing Findings that more properly should be designated as Conclusions are hereby adopted as such.
2. The Minnesota Environmental Quality Board has fulfilled all relevant procedural requirements of law or rule applicable to the preparation of an Environmental Impact
3. The Final Environmental Impact Statement adequately addresses the significant environmental issues and alternatives identified in the Scoping Decision developed under Minnesota Rules part 4400.1700.
4. The Final Environmental Impact Statement addresses the comments raised regarding the draft EIS.

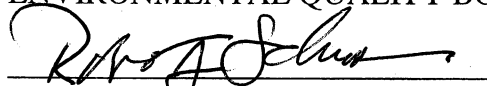
Based on the Findings of Fact and Conclusions contained herein and the entire record of this proceeding, the Environmental Quality Board hereby makes the following

### ORDER

The Minnesota Environmental Quality Board hereby determines that the Final Environmental Impact Statement on the Faribault Energy Park Generating Station is adequate.

Dated this 20<sup>th</sup> day of May, 2004

STATE OF MINNESOTA  
ENVIRONMENTAL QUALITY BOARD



Robert A. Schroeder  
Chair